

# **Fiscal Services Division**

## **Legislative Services Agency**

### **Fiscal Note**

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HF 397 - Medical Assistance Income Trust (LSB 1238 HV)  
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Fiscal Note Version - New

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#### **Description**

House File 397 describes the procedure that the Department of Human Services (DHS) is to follow when calculating the amount of income available to an individual from a Medicaid income trust. The change applies to persons receiving Home and Community-Based Services (HCBS) Waivers or care in a nursing facility, Intermediate Care Facility for the Mentally Retarded (ICF/MR), Psychiatric Mental Institution for Children (PMIC) or State Mental Health Institute (MHI).

#### **Background**

Currently, an individual can use up to 300.0% of the Supplemental Security Income (SSI) benefit for allowable expenses. This change would allow an individual access to all income for the purpose of allowable expenses. Any income above the allowable expenses would be applied toward payments to Medicaid providers, any reimbursements to the State for Medicaid services provided, or retained by the trust.

#### **Assumptions**

- 43 people in facilities funded by Medicaid who have income trusts would be eligible to claim additional expenditures under this change. In FY 2008, the additional expenditures would be an estimated \$28,805 per month.
- No residents of ICF/MRs would be eligible to claim additional expenditures under this change.
- The number of HCBS recipients who are eligible to claim additional expenditures under this change cannot be determined because the DHS does not collect this information. No cost for these clients is included in the fiscal impact estimate.
- The State share of the Federal Medical Assistance Percentage (FMAP) for FY 2008 is 38.21%.

#### **Fiscal Impact**

The estimated fiscal impact of HF 397 to the General Fund is \$132,000 for both FY 2008 and FY 2009.

#### **Source**

Department of Human Services

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/s/ Holly M. Lyons

February 19, 2007

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The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Fiscal Services Division, Legislative Services Agency to members of the Legislature upon request.

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